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Post Register

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December 6, 2001

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By Hand DeliveryFEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman-Salas
Secretary
Federal Communications Commission
Portals II Building
445 Twelfth Street, S.W.
TW-A325
Washington, D.C. 20554

**Re: In the Matter of Cross-Ownership of Broadcast Stations and Newspapers
MM Docket No. 01-235**

Dear Ms. Roman-Salas:

On behalf of The Post Company, the licensee of Station KIFI-TV, Idaho Falls, Idaho and the owner of The Post Register, a daily newspaper serving Idaho Falls surrounding areas, this is to submit comments on the Notice of Proposed Rule Making, FCC 01-262 released September 20, 2001 in the above-referenced proceeding.

The NPRM asks for comments on the experience of grandfathered newspaper/broadcast combinations. KIFI-TV and The Post Register are such grandfathered newspaper broadcast combination and I offer the following observations to assist the Commission.

My grandfather started The Post Company in 1925 by buying a twice-weekly newspaper. Six years later the company purchased another twice-weekly and began six day a week publication as The Post Register. It is now published seven days a week. In 1947 the company entered the radio business and in 1961 the company sold its radio interests and entered the television business.

The television station, KIFI-TV, was created solely out of funds from the newspaper and was sustained by newspaper funds through seven years of television losses. In fact, the newspaper has always been the solid source of revenue which allowed television station to weather lean years. To my knowledge, KIFI-TV is the only independent, locally-owned television station in Idaho, Montana, Utah and Nevada. Our newspaper is one of only two independent, locally-owned newspapers in those states (the

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"Eastern Idaho's employee-owned news leader"

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other is a family and Employee Stock Ownership Trust ("ESOT") owned newspaper in Lewiston, Idaho.).

The Post Company's commitment to local independent ownership led us to create an Employee Stock Ownership Plan in 1978. While family members could have received more by selling both properties, the decision was made to sell stock to the Employee Trust.

I believe that the newspaper-television combination has been able to survive in a small market because it offers two sources of employment, has the strong support of family members who are dedicated to serving the local community and has the support of employees through the ESOT. My father ran the television station until his death in 1984 and my uncle either ran the newspaper or held management positions there for more than 40 years. Today, I am the publisher of the newspaper and my wife is the General Manager of the television station.

The Post Company has operated the two divisions of what is a single company with considerable independence. We have not consolidated operations to any significant degree. We have separate sales teams for the newspaper and broadcast station as well as separate reporters.

Unfortunately in today's environment, neither the newspaper nor the Employee Trust can be sure to protect the television station. A number of events and changes have altered our environment for the worst:

- * The recession and September 11 have placed many small stations in immediate jeopardy, ours included.

- * With a couple of exceptions, our station has never made more in profit than its network compensation. Networks now intend to eliminate compensation and we face that dilemma when our affiliation agreement expires. Loss of network compensation will severely affect the station's profitability.

- * National rep firms will no longer represent small stations like ours. Much of our income is derived through this channel. Loss of quality representation will cripple our ability to compete in the spot market.

- * The cost of constructing a digital television facility with no evident source of income to recoup the costs --even with the extensions and liberalization of

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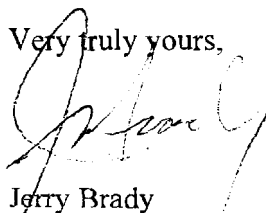
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requirements adopted by the FCC – poses grave problems for small market television stations.

* The rise of unregulated, competing media and the repurposing of network content threatens the viability of smaller market television stations.

Through the years, family commitment, cross-ownership of the newspaper and television properties and more recently employee ownership have made the continued local ownership of KIFI-TV possible. The Post Company urges the FCC to take care in any restructuring of the multiple ownership rule that it does not inhibit the continuation of independent local ownership that is presented by a locally owned newspaper/broadcast combination.

Very truly yours,



Jerry Brady
President

JMB:bh

cc: The Honorable Michael K. Powell
The Honorable Kathleen Q. Abernathy
The Honorable Kevin J. Martin
The Honorable Michael J. Copps